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## France

## Tree Nuts

## Annual

## 2003

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**Report Highlights:**

According to recently published estimates from the French Ministry of Agriculture, French walnut production amounted to 33,300 MT in 2002. During the first half of MY 2002/03, France remained a net exporter of walnuts, with stable exports and increased imports (mainly from Moldova). French and U.S. walnuts compete on European markets, particularly in Germany and Spain, which are France's leading export markets. The 2003 French harvest will start in September and is expected to be affected by the heavy drought France has faced in the past months. An increase in the share of small-grade walnuts is forecast.

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## Executive Summary

According to recently published estimates from the French Ministry of Agriculture, French walnut production amounted to 33,300 MT in 2002. During the first half of MY 2002/03, France remained a net exporter of walnuts, with stable exports and increased imports (mainly from Moldova). French and U.S. walnuts compete on European markets, particularly in Germany and Spain, which are France's leading export markets. The 2003 French harvest will start in September and is expected to be affected by the heavy drought France has faced in the past months. An increase the share of small-grade walnuts is forecast.

## I. SITUATION AND OUTLOOK

### 1. Production

#### Production Trend

France is the leading European producer of walnuts, with roughly 25 percent of total European production in 2002. French walnut production for 2001 and 2002 was respectively revised to 28,480 MT and 33,300 MT, in line with recent estimates by the Office of Statistics (SCEES) of the French Ministry of Agriculture and Fisheries. In 2003, French walnut production is expected to be affected by the heavy drought France has faced in the past few months. A high percentage of small grade walnuts is expected to be harvested, and producer prices are therefore likely to be lower than past averages.

Walnut production includes roughly 2,000 MT in-shell fresh walnuts sold in September and October, 7,000-8,000 MT in-shell dried walnuts, and 11,000-12,000 MT shelled walnuts. Shelled walnuts are used either in industrial food processing (60 percent), craft food processing (30 percent), or are retailed as-is (10 percent).

#### Regional Production

French walnut production is mainly located in southwestern and southeastern regions. In 2001, the walnut production area covered 14,960 ha. Five "départements" (administrative regions) produced 86 percent of the national production in 2001: Isère, Dordogne, Lot, Drôme, and Corrèze.

There are 2 appellations of origins (AOC) labels for high quality walnuts in France: "noix de Grenoble" since 1938 and "Noix du Périgord" since 2002. Nuts marketed under these appellations are grown in specified areas: Walnuts sold as "Noix de Grenoble" are grown in the southeastern producing regions, while walnuts sold as "Noix du Périgord" are grown in the southwestern producing regions.

For more information on French Appellations of origin logos, please see report FR1062, entitled "French and EU product origin and quality labeling," dated November 08, 2001 at: <http://www.fas.usda.gov/gainfiles/200111/135682651.pdf>

Walnut varieties produced in France are the following:

- Franquette represents 80-90 percent of the French walnut orchards,
- Corne, Marbot and Grandjean are specific to the southwestern producing region,
- Mayette and Parisienne are specific to the southeastern producing region,
- Lara and Fernor are marginally planted but their production is growing.

**Southeastern Production:**

Walnuts eligible for the AOC origin logo "Noix de Grenoble" are grown in a specific area that covers three "départements" (administrative areas): Drôme, Isère, and Savoie. The varieties eligible for this AOC are Franquette, Mayette, and Parisienne.

The organization in charge of managing the production of "Noix de Grenoble" is:

Comité Interprofessionnel de la Noix de Grenoble

"Les Colombières"

38160 Chatte

tel: 04 76 64 06 64

fax: 04 76 64 07 40

[noixdegrenoble@9online.fr](mailto:noixdegrenoble@9online.fr)

A major French producer of walnuts based in southeastern France producing AOC walnuts is Vercofel. Their website is in French and English: <http://www.vercofel-noix.com>  
This website contains information on the walnut varieties grown, the packaging, the AOC products, as well as walnut nutritional facts.

**Southwestern Production:**

The AOC origin logo "Noix du Périgord" first appeared in 2002 for walnuts grown in a specific area covering 4 "départements" (administrative regions): Dordogne, Lot, Corrèze, and Charente. Four varieties will be eligible for this AOC: Franquette, Corne, Marbot, and Grandjean. Three products will be eligible for the AOC: fresh walnuts (30 percent humidity), dried in-shell walnuts, and shelled walnuts prepared by hand.

The organization in charge of managing the production of "Noix du Périgord" is:

Syndicat National de Défense de la Noix et du Cerneau de Noix du Périgord"

Station expérimentale de Creysse

BP 18

46600 Martel

tel: 05 65 32 22 22

fax: 05 65 32 27 44

[station.creysse@wanadoo.fr](mailto:station.creysse@wanadoo.fr)

In southwestern France, fruit and vegetable growers are grouped in an organization called "Bassin Grand Sud Ouest," or "BGSO."

Comité Economique Agricole Fruits et Légumes du BGSO

Agropole - Bâtiment Alphagro

BP 206

47931 Agen cedex 9

tel: 05 53 77 22 70

fax: 05 53 77 22 79

[bgso@club-internet.fr](mailto:bgso@club-internet.fr)

[http://www.comite-bgso.com/index\\_comite2.php3?ref](http://www.comite-bgso.com/index_comite2.php3?ref)

On this website, there is a description (in French) of the regional walnut production.

## 2. Consumption

Total walnut consumption in the PS&D includes stocks differential (since there are no data available for stocks) and human consumption. Walnut consumption categories include snacking and home cooking, by-products consumption, such as walnut oil, and shelled walnuts used as ingredients in the pastry, bakery and cheese industries for example.

French households are estimated to purchase approximately 7,000-9,000 MT of in-shell walnuts, (including 2,000 MT fresh and 7,000 MT dried), and 6,000 MT shelled walnuts per year.

Most of the southeastern production (roughly 75 percent) is for the in-shell walnut market, while more than half of the southwestern production goes to the shelled walnut market segment. Overall, large grades are for the in-shell walnut market, while smaller grades are for the shelled walnut market.

The French per capita consumption of walnuts is 150 grams of in-shell walnuts and 200 grams of shelled walnuts. In-shell walnuts are mainly consumed during the fall (mainly in November and December) and in winter. However, there is no seasonality for shelled walnut consumption.

## 3. Trade

France is a net exporter of walnuts, and exports principally to European countries. French and U.S. walnuts compete for these markets. Most of France's exports consist of in-shell walnuts, while the bulk of French imports are shelled walnuts. Eurostat data used to prepare the following trade matrices indicate that Moldova is a country where French walnuts are exported in-shell, and then re-imported shelled for processing.

During the first 6 months of MY 2002/03 (October-March), French exports were relatively stable, while imports increased by 15 percent. This resulted mainly from increased shipments from Moldova, Spain and Ukraine.

In MY 2002/03, French walnuts are facing stiff price-competition from U.S. walnuts on European markets, due to the strong Euro.

## 4. Policy

The French Fruit and Vegetable Board (ONIFLHOR) is the French Ministry of Agriculture agency responsible for distributing EU and GOF funds to the French fruit, vegetable, and flower sectors. French walnut growers do not receive direct payments for growing walnuts, but they do benefit from the following subsidies:

1. Inclusive aid to form a producer organization (PO): In France 11 walnut/hazelnut/almond POs received this type of support from 1992 to 1998, following the reform of the fruit and vegetable EU Common Agricultural Policy (CAP). In total, during that period of time, Euro 2.05 million were provided to French nut growers for forming POs, 50 percent coming from the EU and 50 percent from the French ONIFLHOR.

2. Working capital assistance is also provided to POs specializing in walnut/hazelnut/almond production. This working capital assistance is meant to partially pay storing, packaging,

sorting and breaking costs. Under the fruit and vegetable CAP, POs get this subsidy once, and the subsidy is limited at 16.5 percent of the production value of each PO. Each PO self funds 45 percent of the working capital, 10 percent is paid by ONIFLHOR, and 45 percent is funded by the EU. This program totaled Euro 3.76 million (including French and European funding), and was provided to growers until 2001.

3. Finally, POs specializing in walnut/hazelnut/almond production get financial support for improving their orchards, and renewing their equipment (such as dryers and scales), and get technical assistance. These actions are under a program called "program for improving quality and marketing," of which 45 percent is self-funded by each PO, 10 percent is funded by ONIFLHOR, and 45 percent is funded by the EU. Since 1992, the budget allocated to this program in France totaled Euro 22.44 million, of which Euro 3.19 million were delivered in 2001.

In addition to the above programs set by the Common Agricultural Policy, ONIFLHOR partially funds research and experimentation programs on walnuts. In 2001, Euro 600,000 was provided for applied research and experimentation on walnuts, funded by ONIFLHOR and French local authorities (large administrative regions).

There is no information yet available for 2002 ONIFLHOR activities and support to the French walnut sector.

ONIFLHOR's website is <http://www.oniflhor.fr> (all in French)

## 5. Marketing

While the in-shell large grade, high quality and high-priced walnut market segment is "owned" by domestically-grown walnuts sold under the origin logos "Noix du Périgord" and "Noix de Grenoble", the shelled walnut market segment and the walnut pieces segment represent an opportunity for U.S. walnuts.

The 6,000 MT of shelled walnuts annually purchased by French households are principally sold by supermarket chains as a cooking ingredient more than as a snacking product. However, the market for snacking walnuts has increased significantly over the past few years. Innovatively packaged shelled walnuts for snacking could be a good way in for U.S. shelled walnuts. Another marketing opportunity for U.S. walnuts is shelled walnuts or walnut pieces used in bulk by the French food processing industry. For example, there are more and more U.S.-type cookies and pastry (brownies, muffins) sold on the French market and U.S. walnuts may be used as ingredients in these, either in ready-made products or in cooking mixes to be prepared at home.

French importers of U.S. walnuts are:

Nideco Halles SA  
12, rue du Poitou  
Bat D.7  
94619 Rungis cedex  
tel: (33-1) 41 73 23 70  
fax: (33-1) 45 60 09 07  
[nico@nideco.com](mailto:nico@nideco.com)

SAISOF

28/31, rue des investisseurs

ZA Ouest Plaine Haute

91580 Crosne

tel: (33-1) 69 83 88 30

fax: (33-1) 69 83 88 18

[saisof@aol.com](mailto:saisof@aol.com)

## II. STATISTICAL TABLES

## PS&amp;D Table

## PSD Table

Country	France					
Commodity	Walnuts, Inshell Basis					
	2002	Revised	2003	Estimate	(HA)(1000 TREES)(MT)	Forecast
	USDA Official	Post Estimate	USDA Official	Post Estimate	2004	Forecast
	[Old]	[New]	[Old]	[New]	USDA Official	Post Estimate
					[Old]	[New]
Market Year Begin		10/2002		10/2003		10/2004
Area Planted	19230	19880	19230	19880	0	19880
Area						
Harvested	14660	14960	14660	14960	0	14960
Bearing Trees	1460	1500	1460	1500	0	1500
Non-Bearing Trees	460	500	460	500	0	500
Total Trees	1920	2000	1920	2000	0	2000
Beginning Stocks	0	0	0	0	0	0
Production	30000	33300	30000	32000	0	32000
Imports	12000	13000	12000	13000	0	13000
TOTAL SUPPLY	42000	46300	42000	45000	0	45000
Exports	23000	22300	23000	23000	0	23000
Domestic Consumption	19000	24000	19000	22000	0	22000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	42000	46300	42000	45000	0	45000

Sources: SCEES, Eurostat

Note: MY 2001/02 data were revised as follows:

Area planted: 19,230  
 Area harvested: 14,600  
 Bearing trees: 1,460  
 Non-bearing trees: 460  
 Total trees: 1,920  
 Beginning stocks: 0  
 Production: 28,480  
 Imports: 12,708  
 TOTAL SUPPLY: 41,188  
 Exports: 22,252  
 Dom. Consumption: 18,936  
 Ending stocks: 0  
 TOT. DISTRIBUTION: 41,188



## Trade Matrices

Shelled and In-Shell Trade Data, MY 2000/01 and MY 2001/02 (according to Eurostat):

French exports of in-shell walnuts (08023100), MT, product weight:

Countries	MY 00/01	MY 01/02
Total	18,089	17,082
U.S.	0	0
Spain	5,896	5,400
Germany	5,204	4,077
Italy	2,112	2,909
Moldova	1,389	1,356
Portugal	1,434	1,159
Belgium	598	604
Switzerland	488	502

French Imports of in-shell walnuts (08023100), MT, product weight:

Countries	MY 00/01	MY 01/02
Total	506	296
U.S.	56	180
Spain	12	63
Germany	95	24
Italy	65	14

French exports of shelled walnuts (08023200), MT, product weight:

Countries	MY 00/01	MY 01/02
Total	2,713	2,585
U.S.	0	0
Germany	1,154	968
Switzerland	498	559
Spain	178	224
Netherlands	256	187
Portugal	162	157
Belgium	178	152
Denmark	109	105

French imports of shelled walnuts (08023200), MT, product weight:

Countries	MY 00/01	MY 01/02
Total	6,384	6,206
U.S.	26	0
Moldova	2,787	3,070
India	645	853
Hungary	602	404
Greece	435	389
Austria	519	339
Ukraine	85	177
Poland	111	148
Romania	266	148

Total French exports of walnuts, in MT, in-shell basis (2 MT shelled walnuts = 1 MT in-shell walnuts) for full MY 2000/01 and 2001/02:

### Export Trade Matrix

<b>Country</b>	France	
<b>Commodity</b>	Walnuts, Inshell Basis	
Time Period	Oct/Sept	Units: MT
Exports for:	2000	2001
U.S.	0	0
Others		Others
Germany	7512	Germany 6013
Spain	6252	Spain 5848
Italy	2326	Italy 3067
Portugal	1758	Switzerland 1498
Switzerland	1484	Portugal 1473
Moldova	1389	Moldova 1356
Belgium	954	Belgium 908
Netherlands	533	Denmark 541
Denmark	467	NL 411
Poland	275	Poland 348
Total for Others	22950	21463
Others not Listed	565	789
Grand Total	23515	22252

### Import Trade Matrix

<b>Country</b>	France	
<b>Commodity</b>	Walnuts, Inshell Basis	
Time Period	Oct/Sept	Units: MT
Imports for:	2000	2001
U.S.	108	180
Others		Others
Moldova	5639	Moldova 6140
India	1290	India 1706
Hungary	1240	Hungary 808
China	1140	Greece 778
Greece	917	Austria 678
Romania	624	Ukraine 354
Poland	249	Poland 296
Italy	221	Romania 296
Ukraine	170	Italy 292
Germany	125	China 226
Total for Others	11615	11574
Others not Listed	1659	1134
Grand Total	13274	12708

Total French exports of walnuts, in MT, in-shell basis (2 MT shelled walnuts = 1 MT in-shell walnuts) for the first 6 months of MY 2001/02 and 2002/03 (Oct/March):

### Export Trade Matrix

<b>Country</b>	France	
<b>Commodity</b>	Walnuts, Inshell Basis	
Time Period	Oct/March	Units: MT
Exports for:	2001	2002
U.S.	0	0
Others		Others
Germany	5203	Germany 5789
Spain	4611	Spain 5037
Italy	2764	Italy 1896
Portugal	1395	Moldova 1405
Moldova	1244	Portugal 1091
Switzerland	1154	Switzerland 1037
Belgium	699	Belgium 790
Denmark	438	Denmark 537
Netherlands	339	UK 242
UK	221	Netherlands 207
Total for Others	18068	18031
Others not Listed	606	650
Grand Total	18674	18681

### Import Trade Matrix

<b>Country</b>	France	
<b>Commodity</b>	Walnuts, Inshell Basis	
Time Period	Oct/March	Units: MT
Imports for:	2001/02	2002/03
U.S.	137	160
Others		Others
Moldova	5248	Moldova 6332
India	968	India 914
Hungary	730	Spain 638
Greece	614	Ukraine 586
Austria	522	Hungary 444
Romania	276	Greece 431
Ukraine	250	Italy 380
China	224	Germany 361
Slovakia	142	Slovakia 218
Italy	134	China 180
Total for Others	9108	10484
Others not Listed	764	900
Grand Total	9862	11384

